

Application

for a

Economic Development Project

by

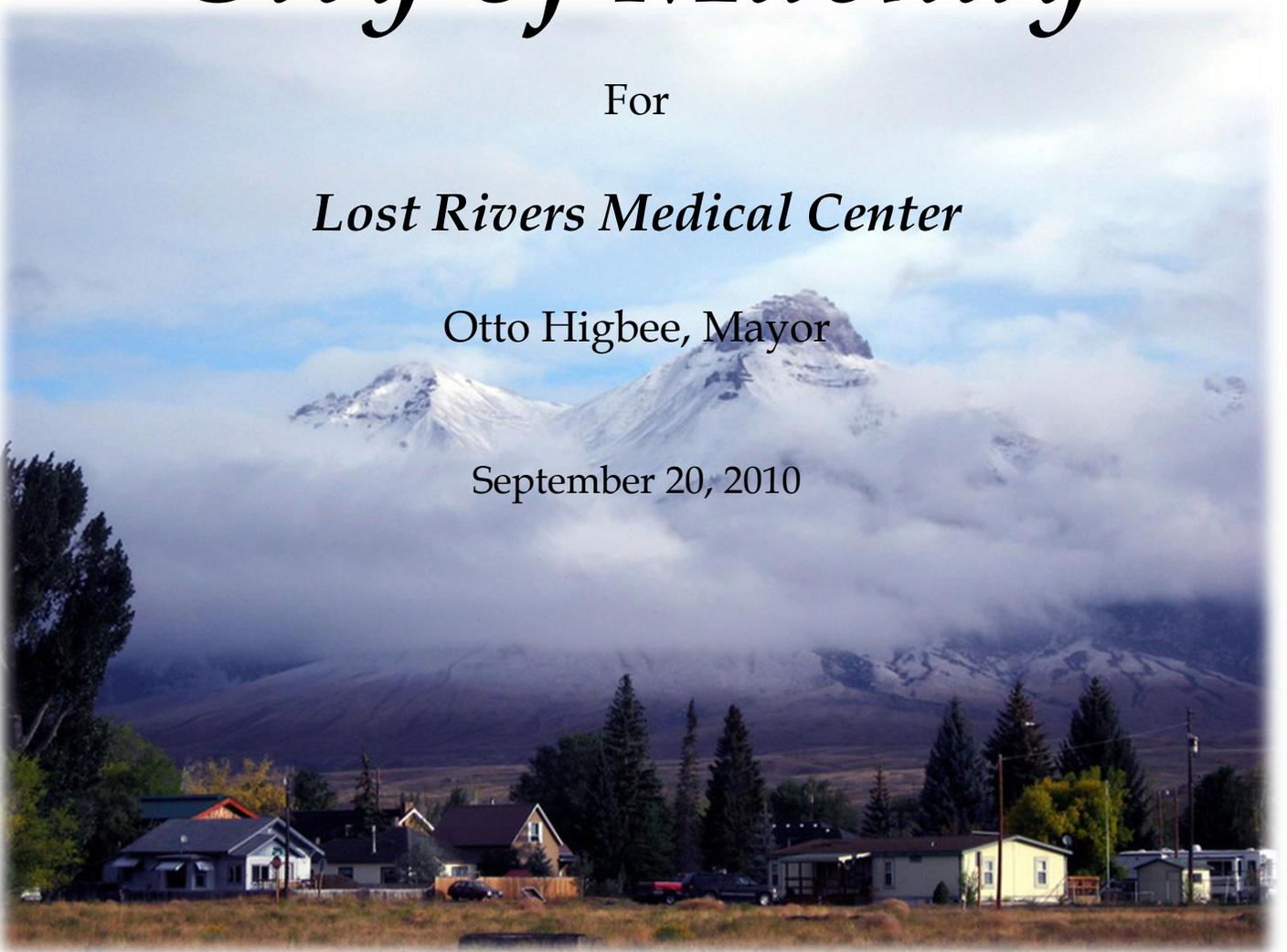
City of Mackay

For

Lost Rivers Medical Center

Otto Higbee, Mayor

September 20, 2010



September 20, 2010

Dennis Porter, Director
Idaho Department of Commerce
P.O. Box 83720
Boise, ID 83720-0093

Dear Director Porter:

The City of Mackay respectfully submits this application for an Idaho Community Development Block Grant on behalf of the Lost Rivers Medical Center (LRMC). Our community desperately needs renovations to the operating room to allow it to stay viable and open for business.

LRMC is in danger of closing its doors. If this happens, the community will lose 86 direct jobs at the hospital and 78 secondary jobs due to the nursing homes and assisted living centers closing their doors. This will have a devastating impact on our community. There have been some recent changes at the hospital to try and pull out of the situation that they are in. However, without the renovation of the operating room, it will be extremely difficult if at all possible to keep the doors open.

We are requesting ICDBG funds in the amount of \$408,610 to remodel the surgical suite and necessary adjacent rooms at the hospital. This will create 4 additional jobs, along with save the 86 positions already filled at the hospital. It will allow the hospital to once again offer day surgeries and start seeing a positive cash flow. It will enable them to pay off debts that have been building, and once again be a viable asset to the communities it serves.

Bingham Memorial Hospital in Blackfoot has been a large player in helping the hospital get back on track. They have loaned manpower and expertise, tools, furniture and equipment to help the hospital recover from their situation. They have come in and completed on-site assessments and have concluded that the best situation for LRMC is to get the surgical suite operational so that they can see a positive cash flow again. They have committed sending surgeons to LRMC for the next five years to perform day surgeries. Together with your help, we are certain that we can help make the hospital successful again.

We appreciate your concern and attention to our grant request.

Sincerely,

Otto Higbee, Mayor

Table of Contents: (Include exhibit page and numbers)

	Page Number
1. Idaho Community Development Block Grant	1
Application Information Form	1
2. Economic Advisory Council Page	2
3. Threshold Factors	3
a) Eligible Applicant	3
b) Eligible Activity	3
c) National Objective	3
d) Citizen Participation Plan and Hearing	3
e) Statewide Goals and Strategies	4
f) Administrative Capacity	4
g) Fair Housing Resolution	4
h) Anti-displacement Plan	4
4. Program Income	5
5. Project Description	5
6. Budget Narrative	6
7. Budget Form	7
8. Detailed Cost Analysis	8
9. Project Schedule	9
10. Financial Profile	10
11. Environmental Scoping	11
12. Certifications	15
13. Review & Ranking Criteria	16
14. Appendix	
A. Maps, Property, Community Information	
B. Support Letters, LRMC Foundation	
C. Project Costs & Schedule	
D. Public Hearing, Citizen Participation, Policies and Resolutions	
E. Administrative Procurement & Architect Contract	
F. Lost Rivers Medical Center	
G. Jobs and Fringe Benefits	

IV. ICDBG Application Information Form

Applicant (City/County): City of Mackay Chief Elected Official: Otto J. Higbee
 Address: PO Box 509, Mackay, ID 83251 Phone: 208-528-2274

Sub recipient (if applicable): Lost Rivers Medical Center Chief Elected Official: Kim Dahlman
 Address: PO Box 145, Arco, ID 83213 Phone: 208-527-8206

Application Prepared by: Kristine Staten Phone: 208-313-3551
 Address: PO Box 481, Shelley, ID 83274

Architect/Engineer/Planner (Contact Name): JHS Architects, PA Phone: (208) 232-1223
 Address: 125 N Garfield Ave, Pocatello, ID 83204

NATIONAL OBJECTIVE (MARK ONE)

LMI Area LMI Clientele Imminent Threat
 LMI Jobs Slum & Blight

PROJECT TYPE (MARK ONE)

Public Facility/ Housing Community Center
 Economic Development Senior Center

PROJECT POPULATION TO BENEFIT (PERSONS): (Census/Survey/Clients/Jobs)

TOTAL # TO BENEFIT: 86 TOTAL # LMI TO BENEFIT: 42
 % LMI TO BENEFIT: 51% % MINORITY POPULATION: _____%

PROJECT DESCRIPTION: Upgrade the current surgical suite and adjacent pre- and post-op rooms to State standards so that the facility can be operational. This work includes upgrades to the HVAC, roof, electrical, plumbing, cabinets, and complete remodel of the rooms to code.

SOURCE	AMOUNT	DATE APPLICATION SUBMITTED	RESERVED/ CONDITIONAL AWARD	FUNDS COMMITTED/ CONTRACT AWARD DATE	DOCUMENTATION IN APPENDIX ***
ICDBG	408,610				
LRMC	415,660				
Local Loan*					
Local In-Kind**					
Private Investment					
Other					
TOTAL PROJECT FINANCING	\$824,270				

* Identify Loan Source(s) _____ Date Bond or Necessary and Ordinary Passed _____

**Describe In-Kind match by type (i.e., materials, labor, waived fees, land value) and amount.

***Identify which appendix corresponding documentation is in. Documentation should be a letter from the appropriate source.

V. Economic Advisory Council Page: (One Page)

Lost Rivers Medical Center (LRMC) will be the sub-recipient of the grant. Lost Rivers Medical Center has been serving the citizens of Butte and South Custer Counties since 1959. The hospital has saved countless lives over the years and brought comfort and services to countless others. The past few years the hospital has struggled, both financially and with physician staff.

The last time the hospital was vibrant and performing to its vision was in 2003 when the surgical suite was still in operation. There was a local doctor who performed procedures in the hospital, saving people the 60 mile drive to seek medical treatment. Unfortunately, that doctor was killed in a car accident and the operating room has been vacant since. The hospital has been having difficulties finding doctors who will come and work at LRMC due to the fact that they can't perform procedures; a major source of their income.

LRMC recently finished paying back Medicaid \$1.3 million dollars in overpayments (LRMC only receives 62% of total Medicaid payments due to the age of the building), and they did so in 3 years. This took a toll on the cash flow, and seeing no other option, the board of directors decided to take out a Chapter 9 bankruptcy, which would allow LRMC to set aside current debts to get organized and able to work out payment plans. There is approximately \$2 million in debts set aside with the bankruptcy; those debts will need to be paid back in five to seven years.

Seeing that the hospital was in real danger of closing, the board jumped to action to turn things around and ensure the success of the hospital. New staff was brought in to help manage the hospital and an agreement with Bingham Memorial Hospital in Blackfoot was made. An aggressive approach was taken to spending and since December they have been able to cut nearly \$1.5 million from the annual operating budget. Bingham Memorial has brought in a team to assess the hospital and their business operations and help with IT support, business guidance, furniture and medical equipment. Bingham Memorial has committed specialty physicians and anesthesia services to come over to LRMC and perform day surgeries a minimum of four days per week.

Even with the aggressive approach that is being taken at the hospital, it is not enough. It is imperative that the hospital re-open the OR to establish a positive cash flow and keep the hospital on track. They must go before the bankruptcy judge and prove the viability of the hospital and provide a plan to pay back those debts that were set aside, of which they can't show a viable plan without a functioning OR. Previously when the OR was operational there was an average of eight procedures completed in a week, generating annual revenue of around \$1.5 million. Together with Bingham Memorial, the hospital administration is estimating that once the OR is completed, there will be an average of five procedures in a week, bringing annual revenue of \$1 to \$1.5 million to the hospital in the first year, anticipating those numbers increasing each year.

The hospital is on the right track. In the past few months they have undergone two audits, one on the living center, and the other for critical care facility. Both audits were successfully passed. With the helpful oversight of Bingham Memorial, LRMC is certain to be a successful hospital once again.

VI. **Threshold Factors**

A. **Eligible Applicant:**

The applicant is a city The applicant is a county

If the applicant is sponsoring a sub-recipient or this is a joint application, describe the relationship and attach a draft agreement between the parties.

The City of Mackay is sponsoring the sub-recipient Lost Rivers Medical Center (LRMC). LRMC is a district hospital encompassing all of Butte County and the southern portion of Custer County, including all of the City of Mackay. A draft agreement between the two parties can be found in Appendix F.

B. **Eligible Activities:**

This application is for the stimulation of private investment and the expansion of economic opportunities for LMI persons. The project will provide the necessary funds to remodel the surgical suite at the hospital to allow it to be operational again. The project will allow the hospital to hire additional staff to assist the doctors in surgery, a total of 4 new jobs, while keeping a positive cash flow at the hospital and saving 86 jobs.

This grant will pay for administration and associated costs to remodel the surgical suite including labor and materials. The hospital will utilize current maintenance staff as much as possible to keep costs down.

LRMC has contributed \$60,660 in in-kind labor to complete the project along with \$355,000 in equipment to allow the room to be operational.

C. **National Objective:** There are six National Objectives listed below. Complete only the National Objective that will be met with the project.

C.4. Low- and Moderate-Income Job Creation

This project will create 4 additional jobs and retain 86 jobs. Of these jobs, 51% are to LMI persons

D. **Citizen Participation:** *(1/4 page narrative and documentation in Appendix)*

A public hearing was held on Tuesday, September 7th at the City Hall in Mackay. This meeting was published three weeks prior in the local paper. At the meeting, the grant application was presented and questions and comments were addressed. Please see the documentation of the public hearing in Appendix D. This project has been a topic among the local citizens for the past few months. Those sponsoring and involved with the grant and application have been proactive to correct information that has been discussed incorrectly.

Date of Notice 08/19/2010 Date of Hearing 09/07/2010

E. Statewide Goal and Strategy: (*✓check applicable*)

Check the goal and strategy that best corresponds to the project.

- Increased access to decent affordable housing (goal)
 - Sustain and increase homeownership (strategy)
 - Sustain and increase affordable rental housing (strategy)
 - Support equal access to a continuum of housing services (strategy)

- Preserved and enhances suitable living environments (goal)
 - Improve safety and livability of communities (strategy)
Example – consent order
 - Increase access to quality facilities and services (strategy)
Example – new construction
 - Improve affordability and sustainability of quality facilities and services
Example – rehab or renovation

- Expanding economic opportunities (goal)
 - Create jobs primarily for low- and moderate-income persons (strategy)
 - Prioritize projects that provide a living wage and fringe benefits (strategy)
 - Revitalize downtown business districts (strategy)

F. Administrative Capacity:

1. Applicant Capacity (*1/4 page narrative*)

The City has been awarded Department of Commerce grants in the past. They have been closed out successfully and without findings. They currently have one RCDBG project open with construction complete.

2. Grant Administrator. (*1/4 page narrative and documentation in Appendix*)

Procurement for a certified grant administrator was completed in September 2010. The City has selected Kristine Staten to administer this grant. Kristine is a certified grant administrator and has a proven record with the State on the previous projects that she has administered. See Appendix E for the results of that selection.

G. Fair Housing: (*Documentation in Appendix*)

Mackay adopted the Fair Housing Resolution on April 5, 2005. Each year since the City of Mackay has declared April Fair Housing Month. Please see appendix D for the resolution.

H. Anti-Displacement Resolution:

Mackay adopted the Anti-Displacement Resolution on April 5, 2005. Please see appendix D for the resolution.

VII. **Program Income:** (1/3 page narrative and documentation in appendix)

There will be no program income generated from this project.

VIII. **Project Description and Property:** Include the project description as outlined in the instructions.

A. Project Description: (1/2 page narrative)

This project entails remodeling to the current operating room at LRMC to allow it to be operational again. The hospital currently serves the population of Butte County and South Custer County.

B. Project Property & Permits: Answer the following questions and attach documentation.

1. Has any property and easements been purchased for this project? ___ Yes X No
If yes, does the applicant have title to the property? ___ Yes ___ No
Provide copy of deed in Appendix.

2. Will any property be needed for this project? ___ Yes X No
Status of the purchase: _____

Estimated date of final purchase: _____
What funds will be used to make purchase? _____

3. Will any easements/or rights-of-way be needed for this project? ___ Yes X No
Status of the purchase: _____

Estimated date of final purchase: _____
What funds will be used to make purchase? _____

4. Is anyone living on the land or in the structures at the proposed site? ___ Yes X No

5. Is any business being conducted on the land or in the structures at the proposed site? X Yes ___ No

6. Are there any businesses, individuals, or farms being displaced as a result of this project? ___ Yes X No

7. Are there permits that will be needed for the project, i.e., well, water rights, land application, demolition permits, zoning permit, air quality permit, etc? ___ Yes X No
Status of the permits (include plan for securing permits and estimation of issue completion date): _____

8. Describe the ownership or lease arrangements for the property involved in the project. Butte County owns the building and has entered into a lease with Lost Rivers Medical Center. That lease went into effect in 1976 and is for \$1 per year, renewing automatically.

IX. **Budget Narrative:** Describe the source and status of all funding for the project according to the instructions. *(1/2 page narrative)*

A. Government

ICDBG funds will be used to remodel the hospital to allow the surgical suite to reopen and start generating income for the hospital. Improvements include HVAC, plumbing, electrical, flooring, roof repairs,

B. Local

Local investment will be from Lost Rivers Medical Center. It includes project oversight, architect fees, and equipment purchase necessary for the operating room.

B. Private

None.

X. Idaho Community Development Block Grant Budget Form

Applicant or Grantee:

LINE ITEMS	CDBG	LRMC In-Kind	City In-Kind	Private In-Kind	Total
Administrative*	37,000	10,500			47,500
Design Professional		35,000			35,000
Planning					
Construction	371,610	18,160			389,770
Legal & Audit					
Equipment		355,000			355,000
TOTAL COSTS**	408,610	418,660			827,270

*Identify funding source.

**Administrative expenses and project planning design costs, when totaled, shall not exceed 10% of the total ICDBG amount.

XI. Detailed Cost Analysis

1. Have preliminary plans and specs been submitted to regulatory agencies for review? Yes No
If yes, list date submitted: Functional design approved Nov 2009
If no, list expected date to be submitted: _____

2. Has final design (for bidding) begun? Yes No
If yes, % complete: 90 %
If no, what is expected start date: _____

3. Will project include bid alternatives to meet project budget if necessary? Yes No

4. Are Davis Bacon wage rates applicable to the project? Yes No
If yes, are they included in the project costs? Yes No

5. Have known environmental measures been included in project costs? (e.g., dust mitigation, archaeological survey, storm water drainage, wetland mitigation etc.) Yes No

6. List the last date the owner and design professional discussed project design and details. Date: 08/17/2010

7. Design Professional Cost Estimate may be found in Appendix C.

XII. Project Schedule

Project Activity	Date (to be) Completed	Documentation in Appendix
Design Professional Contract Executed	06/01/2010	E
Grant Administration Contract Executed	09/20/2010	E
Environmental Release	10/2010	
Bid Document Approval	10/2010	
Bid Opening	11/2010	
Construction Contract Executed	11/2010	
Start Construction	11/2010	
Construction 50% Complete	01/2011	
Second Public Hearing	01/2011	
Certificate of Substantial Completion	03/2011	
Update Fair Housing Plan	04/2011	
Update 504 Review and Transition Plan	04/2011	
Construction 100% Complete	04/2011	
Final Closeout	05/2011	

In addition to the items above, please include the following for Job Creation projects:

Project Activity	Date Completed	Date to be Completed
Business' Job Commitment finalized	09/2010	
Start Business Construction		11/2010
Business Construction 50% Complete		01/2011
Business Construction 100% Complete		03/2011
Job Creation Completed		04/2011

Name of Professional and Agency Contacts	Firm/Agency	Phone with extension
Design Professional	JHS Architects	208-232-1223
Attorney	Steve Stephens	
Funding Agency	Department of Commerce	
Environmental Officer	Kristine Staten	208-313-3551
Regulatory Compliance	N/A	
Public Works Director	N/A	
Finance Officer / Clerk		
Business Contact	Kim Dahlman	208-527-8206 x113
Others		

XIII. Grantee and Sub-recipient Financial Profiles

Is the Grantee a (circle one) City County

If a sub-recipient, what type of Organization (circle one)

- Water District Sewer District Homeowner's Association
- For-Profit Company Non-Profit Company Water Association
- Fire District Hospital District
- Other (please explain): _____

**Section III. All Applicants (except Sewer and Water):
Grantee or Sub-Recipient Taxing Authority:**

- A. Identify how the organization obtains its operating funding, i.e., bonds, district assessments, other: Operating cash comes from current patient load, Medicaid, and taxing district.
- B. Does the organization have taxing authority? X Yes ___ No (if no, skip to Section IV)
 - 1. Do you tax? X Yes ___ No
 - a) If yes:
 - (1) What is the tax rate? .001251823
 - (2) What is the annual tax amount generated? _____
 - (3) What are the taxes used to pay for, i.e., equipment, operating expenses, etc.?
Operating expenses, debt retirement, equipment
 - 2. If your organization does not tax explain why. _____

**Section IV. All Applicants
Land Use Planning**

When was the comprehensive plan last updated? None

Which of the following tools do you implement as land use measures and controls?

	Yes	No
Building Codes	<u>X</u>	___
Historical Preservation	___	<u>X</u>
Zoning Ordinances	<u>X</u>	___

Do you currently implement any of the following?

	Yes	No
Economic Development Plan	___	<u>X</u>
Development Impact Fees	___	<u>X</u>
Local Option Tax (resort)	___	<u>X</u>
Tree City USA	<u>X</u>	___

XIV. ICDBG Environmental Scoping – Field Notes Checklist

Applicant City of Mackay Sub-Recipient Lost Rivers Medical Center

This site and desk review checklist is to be completed by the Applicant and submitted with the application.

The purpose of the checklist is to help the Applicant and IDC better understand what environmental statutes or provisions per 24 CFR 58 might impact the proposed project. The information will assist in understanding what studies, documentation, and mitigation measures could be applicable and to assist in completing the environmental review record. The Applicant may choose to attach this scoping checklist as part of the environmental review record.

1. Limitations on Activities

Is the Grantee planning or in the process of acquiring property for this proposed project? ___ Yes No

If yes, is the Applicant aware that land acquired or site work after submission of the ICDBG application is subject to 24 CFR 58.22 Limitation on Activities Requiring Clearance? Meaning once an application for ICDBG funds is submitted, neither Applicant or sub recipient, may commit Non-HUD funds to a project for land acquisition or site work (except for minor testing) before the environmental review is complete, unless the land acquisition or contract is conditioned on completion of the ICDBG environmental review.

2. Historic Preservation

Has the SHPO or THPO been notified of the project? Yes ___ No

Have tribes with possible cultural and religious sites been notified of the project? Yes ___ No

3. Floodplain Management

Is the project located within a floodway or floodplain designated on a current FEMA map? Check Web site www.store.msc.fema.gov ___ Yes No ___ Not Sure

If yes what is the floodplain map number? _____

If the project is located in a floodway or floodplain, is the community where the project is taking place a participant in the National Flood Insurance Program. Check Web site www.idwr.idaho.gov/water/flood ___ Yes No

4. Wetland Protection

Are there ponds, marshes, bogs, swamps, drainage ways, streams, rivers, or other wetlands on or near the site? ___ Yes No

If yes, has the Army Corps of Engineers (Corps) been notified? ___ Yes ___ No

Has the Corps indicated what permit level will be required? ___ Yes ___ No ___ N/A

5. Sole Source Aquifers (Clean Water Act)

Is the proposed project located over an EPA designated aquifer area? Yes No
(Check website www.epa.gov/safewater/ssanp.html)

Is it known at this time if construction will disturb more than one acre of land? Yes No

If yes, has a general permit for storm water discharges from construction sites been applied for from the EPA? Yes No

6. Endangered Species Act

Has U.S. Fish and Wildlife Service, NOAA Fisheries, and Idaho Fish and Game Regional Office been notified about the project? Yes No

7. Wild and Scenic Rivers Act

Is the project located within one mile of a designated wild and scenic river? Idaho wild and scenic rivers include portions of the St. Joe, Lochsa, Selway, Middle Fork of the Clearwater, Snake, Rapid, and Middle Fork of the Salmon. Check Web site www.nps.gov/rivers/ Yes No

8. Clean Air Act

Is the project located in a designated non-attainment area for criteria air pollutants? Yes No

For building demolition or improvements, has an asbestos analysis been planned for or conducted?
 Yes No N/A

For housing rehabilitation, has a lead based paint assessment been planned for or conducted?
 Yes No N/A

9. Farmland Protection Policy Act

Is the project located on a site currently zoned as residential, commercial, and/or industrial?
 Yes No

Is the project area currently being utilized for farm or agricultural purposes? Yes No

If yes, has the USDA Natural Resource Conservation Service or local planning department been notified about the project? Yes No

10. Environmental Justice

Does project have a disproportionate environmental impact on low income or minority populations?
 Yes No

11. Noise Abatement and Control

Is the project new construction or rehabilitation of noise sensitive use (i.e., housing, mobile home parks, nursing homes, hospitals, and other uses where quiet is integral to the project functions)?

Yes No

If yes, is the project located within 5 miles of an airport, 1000 feet of a major highway or busy road, or 3,000 feet of a railroad? Yes No

12. Explosive and Flammable Operations

Is the physical structure (not necessarily infrastructure) intended for residential, institutional, recreational, commercial or industrial use? Yes No Unknown at this time

If yes, are there any above ground explosives, flammable fuels or chemical containers within one mile of the physical structure? Yes No

If yes, have you been able to identify what the container is holding and the container's size? Yes No

13. Toxic Chemicals and Radioactive Materials

Are there any known hazardous materials, contamination, chemicals, gases, and radioactive substance on or near the site? Yes No Unknown at this time

If yes, explain _____

During the visual inspection of the site, are there signs of distressed vegetation, vents or fill pipes, storage/oil tanks, stained soil, dumped material, questionable containers, foul or noxious odors, etc. Yes No

If yes, explain _____

At this time, are the site's previous uses known to have been gasoline stations, train depots, dry cleaners, agricultural operations, repair shops, landfill, etc.? Yes No

Are other funding agencies requiring the Grantee to perform an American Society for Testing Materials (ASTM) environmental assessment? ASTM assessment involves analysis of site uses and ownership, inspection of site, and possible testing. Yes No

14. Airport Clear Zones and Accident Potential Zones

Is the project located within a designated airport runway clear zone or protection zone? Yes No

Does the project involve acquisition of land or construction/rehabilitation of building or infrastructure in an airport runway clear zone or protection zone? Yes No

If yes, is the grantee aware that the airport operator may wish to purchase the property at some point in the future as part of a clear or accident zone acquisition program? Yes No

15. Energy Efficient Designs

For building construction, has the owner investigated possible incentives from power providers, such as Idaho Power, Avista, or Utah Power for incorporating energy efficient design into their building? Yes No

16. Sediment Control (Clean Water Act)

Will the construction project require storm and surface water discharge from the construction site? Yes No Unknown at this time

If yes, has an application to EPA been submitted for a Construction General Permit (CGP)? Yes No

17. Other Environmental Reviews

Have facilities studies or other environmentally related site reviews been conducted or in the process of being conducted? ___ Yes x No

If yes, identify who is conducting the review. _____

18. Information Letters

The advanced mailing of environmental information letters is sought in an effort to minimize the project’s timeline in waiting for necessary documentation or information. It will assist in earlier responses to required mitigation measures should the proposed project receive grant funding.

Check the agencies that have been mailed an environmental information letter.

Note: If other funding agencies have sought comment, in writing, from the agencies listed below for the same project, you may not need to send an information letter. Contact your Specialist if other environmental information or scoping letters have been sent.

- x Idaho State Historic Preservation Officer
- x Tribal Historic Preservation Officer or Tribal Office
- x Idaho Department of Water Resources – Local Regional Office
- ___ Army Corps of Engineers (if wetlands are applicable)
- ___ U.S. Fish and Wildlife
- ___ NOAA Fisheries (if salmon and/or steelhead are applicable)
- ___ Idaho Fish and Game
- ___ USDA Natural Resource Conservation Service (if farmlands are applicable)
- x Idaho Department of Environmental Quality
- x Local Government – Planning Department
- ___ Others _____

Completion of the scoping checklist does not constitute that all environmental provisions or clauses related to 24 CFR 58 Environmental Reviews have been met or are known at this time.

 Kristine L Staten
Completed By: (type name)

 August 6, 2010
Date

XVI. CERTIFICATIONS

I certify the data in this application is true and correct, that this document has been duly authorized by the governing body of Butte County and we will comply with the following laws and regulations if this application is approved and selected for funding.

- National Environmental Policy Act of 1969
- Civil Rights Act of 1964 Pub.L 88-352
- Civil Rights Act of 1968 Pub.L 90-284
- Age Discrimination Act of 1975
- Rehabilitation Act of 1973, Section 504
- Uniform Relocation Assistance and Real Property Acquisition Act of 1970, as amended (49 CFR Part 24)
- Housing and Community Development Act of 1974, as amended Pub.L 93-383
- Davis-Bacon Act (40 USC 276a - 276a-5)
- Historic Preservation Act
- OMB Circular A-87, and ensure that sub-recipient complies with A-110 and A-122

- Section 106 of the Housing and Urban Recovery Act of 1983 certifying to:
 - Minimize displacement as a result of activities assisted with CDBG funds by following the Idaho Department of Commerce's anti-displacement and relocation assistance plan;
 - Conduct and administer its program in conformance with Title VI and Title VIII, and affirmatively further fair housing;
 - Provide opportunities for citizen participation comparable to the state's requirements (those described in Section 104(a) of the Act, as amended);
 - Not use assessments or fees to recover the capital costs of ICDBG funded public improvements from low and moderate income owner occupants;
 - Abide by all state and federal rules and regulations related to the implementation and management of federal grants;
 - Assess and implement an Accessibility Plan for persons with disabilities in accordance with Section 504 of the Rehabilitation Act of 1973, as amended;
 - Adopt and implement an Excessive Force Policy;
 - Prohibition of Use of Assistance for Employment Relocation, Section 588 of the Disability Housing and work Responsibility Act of 1998 Pub. L 105-276.
 - Anti-Lobbying Certification: No federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned to any person for influencing or attempting to influence an officer or employee of any federal agency, a member of, employee of a member of, officer of or employee of Congress in connection with the awarding of any federal contract, the making of any federal grant or loan, the entering into any cooperative agreement and the extension, renewal, modification or amendment of any federal contract, grant, loan or cooperative agreement.

If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any federal agency, a member of, employee of a member of, officer of or employee of Congress in connection with this federal grant, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

Signed by Chief Elected Official

Date

Otto J. Higbee

Typed Name

Review and Ranking Narrative:

II. A. Quality of New or Retained Jobs:

60 Percentage of full-time equivalent jobs that exceed average county/state wages

\$23,613 County's average annual wage

II. B. Fringe Benefits:

Answer the following:

Please indicate which fringe benefits are offered and what is the employer contribution (E/C)?

If part-time (P/T) employees are eligible for benefits, please indicate what benefits and at what rates.

X Vacation E/C: F/T 10 to 15 days per year P/T _____

X Sick Time E/C: F/T 7 days per year P/T _____

___ Disability E/C: F/T _____ P/T _____

X Holiday E/C: F/T 7 days per year P/T _____

___ Death/Funeral E/C: F/T _____ P/T _____

X Health Insurance

X Medical E/C: F/T 86% of premium P/T _____

X Dental E/C: F/T 86% of premium P/T _____

X Vision E/C: F/T 86% of premium P/T _____

___ 401K Employer contribution rate regardless of employee contribution:
F/T _____ P/T _____

___ 401 K Employer match rate:
F/T _____ P/T _____

X 401 K No employer contributions

Employees also receive a 25% discount on clinic and hospital use.

II. C. Business Risk and Management:

2. If you have not attached a Dun & Bradstreet report, address all of the criteria set forth in the directions. Be sure to attach any necessary documentation.

II. D. Planning, Schedule and Cost:

1. Describe any planning efforts involving the implementation of your project. Address all components outlined in the directions. Also include descriptions of any partnerships involved in the implementation process.

LRMC started planning this process is min 2009. Knowing that getting the operating room up and going would help save the hospital, they began the process. They hired

an architect who put together plans and estimated costs. They took that information to countless banks trying to secure funding, only to be turned down each time. In early spring of 2010 LRMC made the decision to pursue grant funds to help pay for the renovation. LRMC approached the County for assistance, but they are unable to offer any at this time.

II. E. Minority Benefit:

8 Percentage of minority workers on the business' current payroll
_____ Percentage of minority population in the county where the business will be locating

II. F. Local Investment Leverage:

Does your community have a revolving loan fund? _____ Yes X No

If yes, please describe any attempts to secure funds.

LRMC had approached Butte County for help financing these activities. Butte County is struggling themselves at this time financially. The past three tax collections have only brought in around 50% of the assessed tax and in 2005 the County lost property tax revenues of \$1.4 million when AWMTP at the INL was sold from a private contractor to Department of Energy. The County was anticipating collecting those revenues for thirteen years, but was only able to collect for two.

The City of Arco, where the hospital is located, is also having their own difficulties. They have lost 30% of their tax base in the past year and are trying to solve a lawsuit involving their infrastructure. They will be starting a large water project in the next year also.

The continued donations to the Lost Rivers Medical Center Foundation show ongoing community support for this project. The annual donation drive for 2010 brought in \$13,371. Since 2004 the total outlay in support from the Foundation totals more than \$178,864.

II. G. Distressed Area:

Is the community located in a historically underutilized business zone?

X Yes _____ No

Butte County is not located in a distressed zone. Custer County, however, is located in a distressed area. Over half of the taxable assets in the hospital district are located in Custer County.

II. H. Existing Idaho Business:

Describe the business' presence in Idaho. Be sure to answer all questions set forth in the directions.

LRMC has been in existence since 1959 and has been an integral part of the community. They currently have a payroll of 86 employees and an annual payroll of \$3,449,241.